

Northern California Experiencing Strong Job Growth

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Our nation's economy has flourished in recent years. The rise toward widespread growth didn't occur overnight, however. We had to overcome a 2001 recession that resulted from the bursting "technology bubble" of the 1990s, outrageous corporate scandals, and the deadliest terrorist attacks on American soil in our nation's history. These events challenged our economy, but once again it has shown tremendous resilience.

To ignite economic growth, Congress has passed substantial tax relief since 2001 that is benefiting virtually every American, allowing families and small businesses to save or spend more of their hard-earned money as they see fit. I believe this tax relief has helped allow the unmatched entrepreneurial spirit and work ethic of the American people to excel. In doing so, it has played a major role in spurring economic activity and strong job growth across our nation.

As a rural area with widespread seasonal agricultural employment, Northern California's unemployment rate has historically been higher than the national level. Yet, it is noteworthy that, in every county in California's 2nd Congressional District, the unemployment rate has fallen significantly since 2003 (when critical tax relief accelerated federal income tax reductions and provided landmark tax relief on investment income). This means that thousands of Northern Californians have gone back to work, which is great news for our region. Most counties' unemployment rates have fallen to or below their pre-recession levels (see chart below, which indicates the unemployment rate, not seasonally adjusted, for September of each year. Source: Bureau of Labor Statistics).

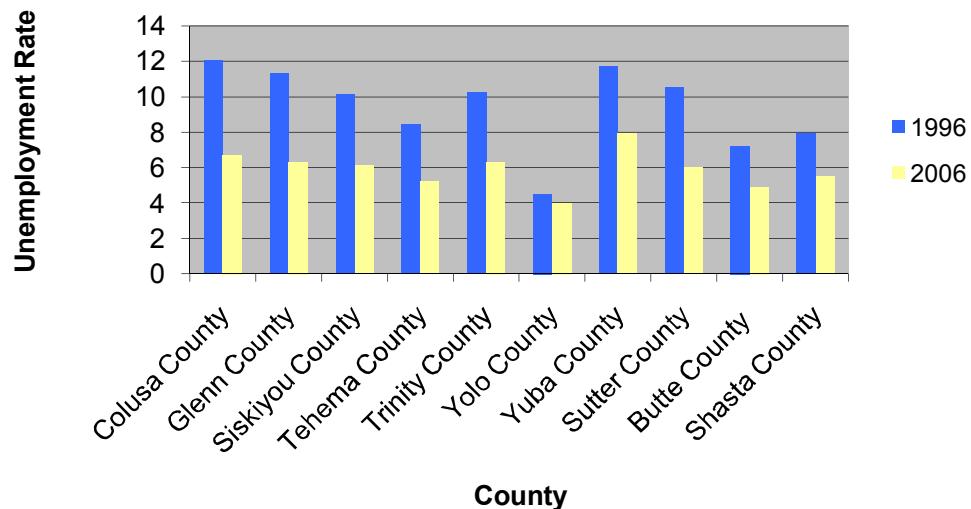
	2001	2002	2003	2004	2005	2006
Colusa	6.9	8	8.3	7.5	6.9	6.7
Glenn	6.1	7.4	8.1	6.7	6.7	6.3
Siskiyou	6.3	6.9	7.5	7.1	7.1	6.1
Tehama	5.4	6	6.3	6.1	5.8	5.2
Trinity	6.2	7.5	7.5	8.2	7.4	6.3
Yolo	4.2	4.9	5	4.6	4.3	4
Yuba	7.2	8.3	9.7	8.2	8.1	7.9
Sutter	6.7	7.7	7.9	7.7	7	6
Butte	5.5	6.2	6.3	5.9	5.6	4.9
Shasta	5.5	6	6.5	6.3	6.1	5.5

Meanwhile, the Bureau of Labor Statistics in January 2007 released the results of its job surveys for December 2006, showing that the national unemployment rate (seasonally adjusted) is 4.5 percent. December was the 40th consecutive month of job gains across the country, and the 11th month of an unemployment rate at or below the average of the 1960s, 70s, 80s, and 90s. Since 2003, our nation's economy has generated nearly seven million new jobs.

The significant job growth our region has seen since 2003 represents a broader improvement in local employment that we've experienced over the past decade. The below

graph demonstrates the unemployment rates in September 1996 and September 2006 for each county in the Second Congressional District. In 1996, six of ten counties had an unemployment rate in September higher than ten percent. This year, none did. The trend demonstrating falling unemployment is also apparent during the other months, and when comparing the annual average unemployment rates in our area. In short, job growth in Northern California over the past decade has been strong.

September Comparison - 1996 and 2006



Further, the data indicates that the gap between the highest and lowest monthly rates within a year is continuing to narrow. This suggests that employment is more stable and less vulnerable to the ebb and flow of seasonal employment. I believe we can continue working to expand steady economic opportunities while maintaining a vibrant and rich agriculture industry in Northern California.

Despite the strong job growth our region has experienced, we shouldn't be satisfied until all Northern Californians looking for a job are able to find one. To this end, I strongly support making permanent the pro-growth tax policies implemented since 2001 to help foster continued entrepreneurship and strong job creation. I will also continue working to reduce burdensome government regulations, which can be very costly to small businesses in our area and across the nation.

Further, we need to rein in out-of-control federal spending, because persistent deficits threaten our economic future. I will also continue supporting improvements to critical local infrastructure, such as water supply, flood control, and highways. While operating within a responsible budget, I believe the federal government can help advance such projects, though it cannot bear the full burden. Lastly, I'll continue supporting efforts to streamline environmental red tape, which can undermine public safety and hamper economic activity.